

The Political Economy of Universal Health Coverage

“Health for All by the year 2030?” Symposium
Heidelberg
16th February 2017

Robert Yates
Senior Fellow and Head of UHC Policy Forum
Chatham House

What is Universal Health Coverage?

A simple definition of UHC:

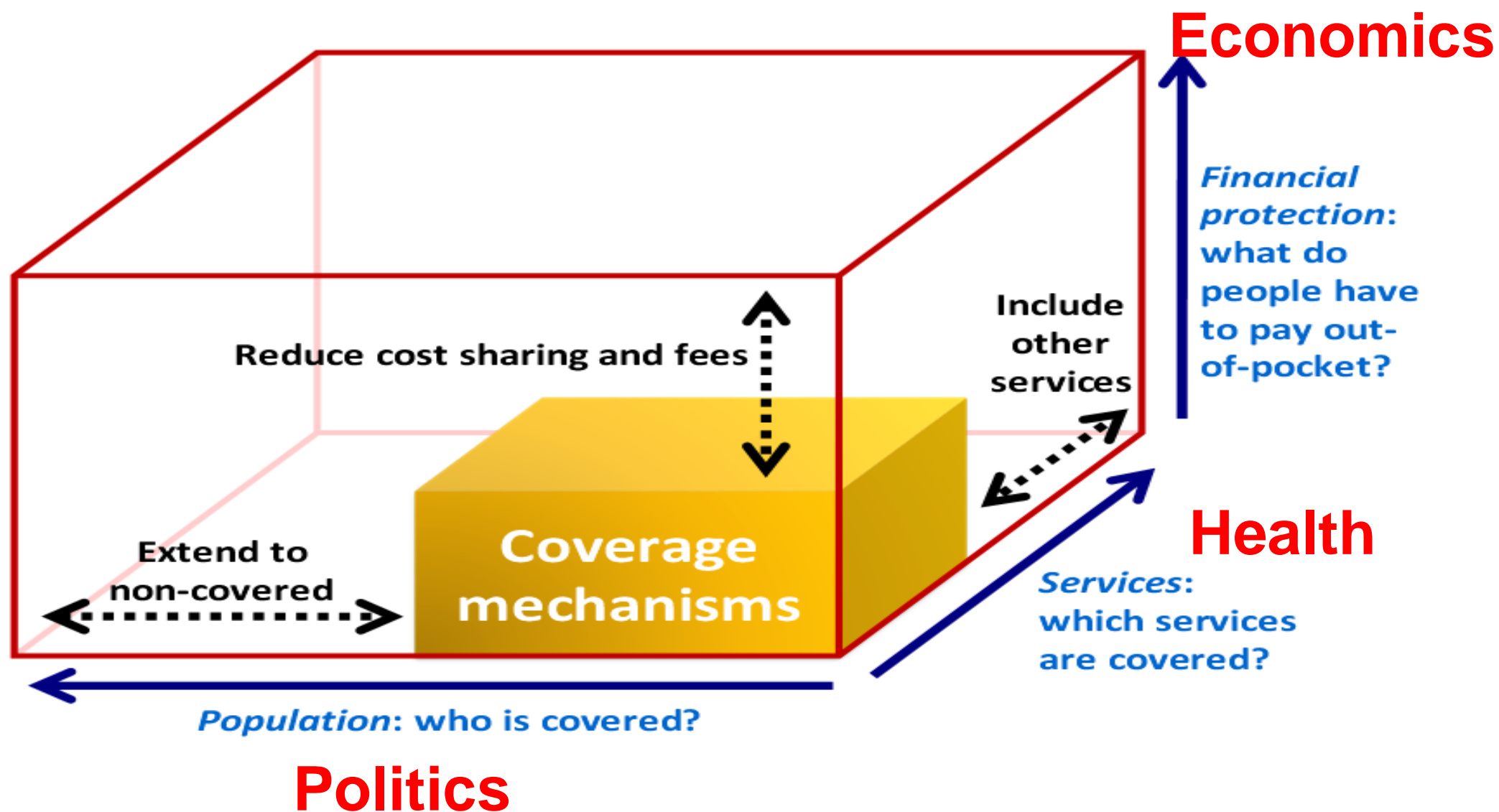
All people receive the quality health services they need without suffering financial hardship

UHC is fundamentally about EQUITY

- Universal = Everybody. Nobody left behind
- Health services allocated according to NEED
- Health financing contributions according to one's ability to pay
- Healthy-wealthy cross-subsidise the sick and the poor

The Three Dimensions of UHC

Towards universal coverage



Consensus on health financing for UHC

- Market-driven privately financed health systems do not result in UHC
- The state must force the healthy-wealthy to cross subsidise the sick and the poor
- The state must be heavily involved in all three main financing functions of raising revenues, pooling and purchasing services
- This doesn't rule out private sector administration or provision of services

Consensus on health financing for UHC

- User fees are “unjust and unnecessary”

Jim Kim, President World Bank , May 2013

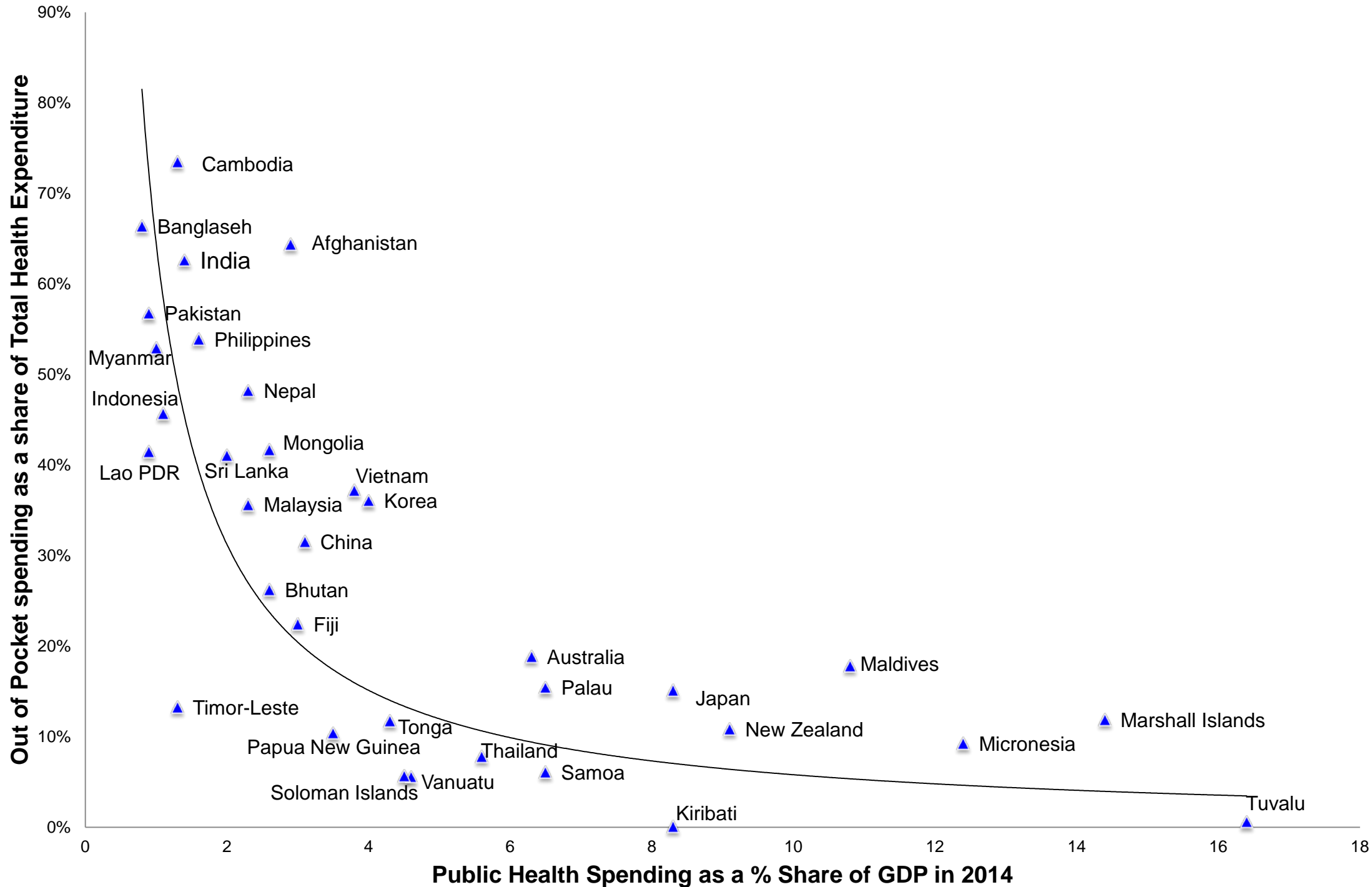
- Private voluntary insurance including community based insurance is ineffective, inefficient and inequitable
- Public financing (tax financing and social insurance) is the key to UHC
- All countries need to use tax financing to cover those not in formal employment

Global health 2035: a world converging within a generation

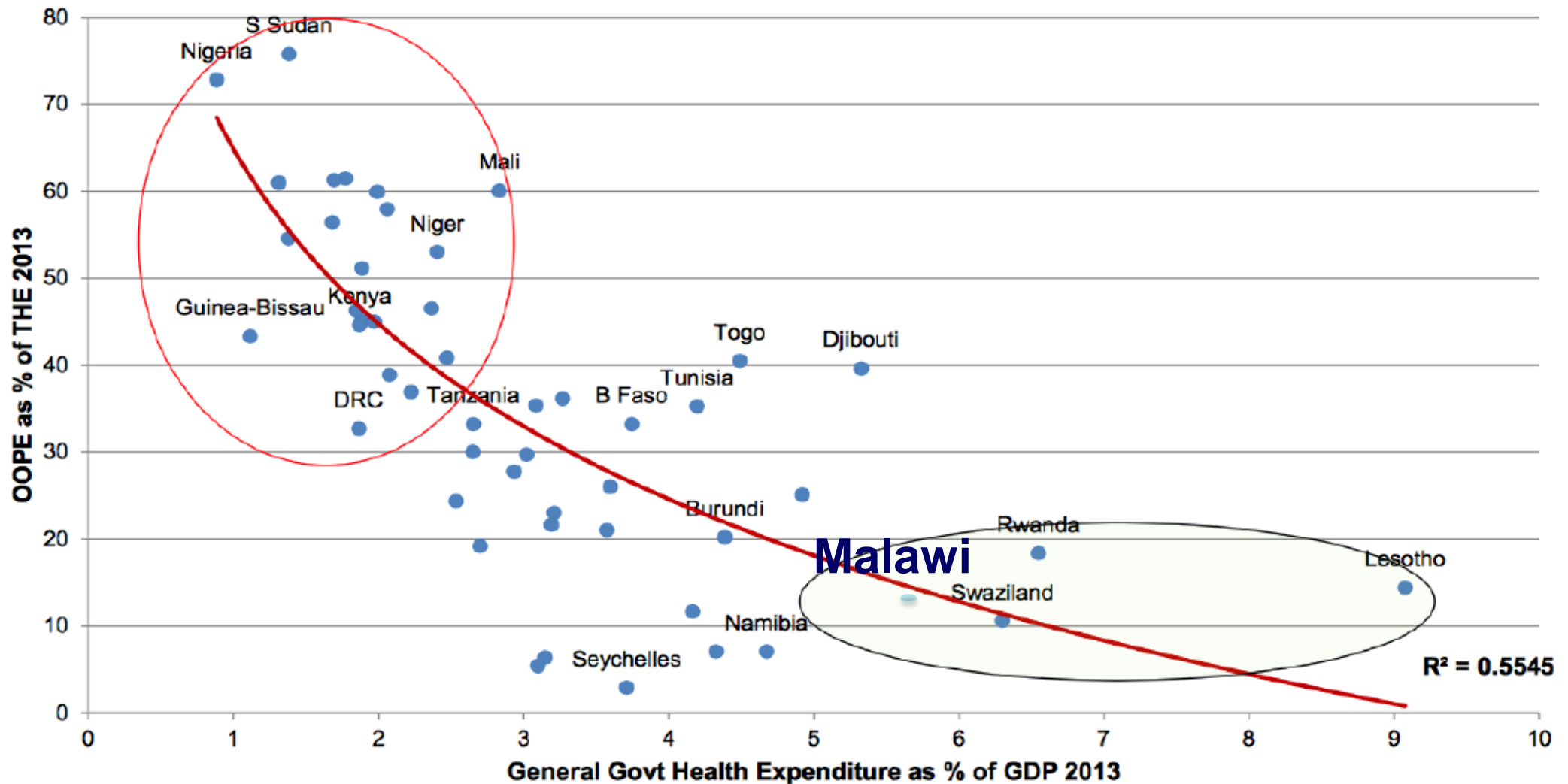
Dean T Jamison, Lawrence H Summers*, George Alleyne, Kenneth J Arrow, Seth Berkley, Agnes Binagwaho, Flavia Bustreo, David Evans, Richard G A Feachem, Julio Frenk, Gargee Ghosh, Sue J Goldie, Yan Guo, Sanjeev Gupta, Richard Horton, Margaret E Kruk, Adel Mahmoud, Linah K Mohohlo, Mthuli Ncube, Ariel Pablos-Mendez, K Srinath Reddy, Helen Saxenian, Agnes Soucat, Karen H Ulltveit-Moe, Gavin Yamey*

A key difference between WDR 1993 and the new *Lancet* Commission is the latter's emphasis on universal health coverage (UHC) and its stance towards private voluntary insurance—the market forces of WDR 1993 now rejected in the 2013 Commission. “We are much more explicit about UHC in the 2013 report”, Jamison says. “The path to UHC cannot work with reliance on voluntary private insurance”.

Public Health Financing Replacing Out-of-Pocket Expenditure in Asia



First lesson in particular simple and very important



PUBLIC SPENDING MATTERS

Economic and Political Drivers of UHC

- Economic growth drives health spending - as countries get richer they spend a growing share of GDP on health services
- Political forces tend to change the composition of health financing towards pooled public financing, whereby the healthy-wealthy are forced to subsidise the sick and the poor = UHC
- This process is often opposed by powerful interest groups



Goderich Health Centre, Sierra Leone
3 p.m. Monday 26 April 2010



Goderich Health Centre, Sierra Leone
3 p.m. Thursday 29 April 2010



Children's Hospital Freetown, Sierra Leone
8 a.m. Tuesday 27 April 2010

UHC and health systems reforms are political

- Everybody wants good quality health services with financial protection
- UHC is very easy to understand and sell to electorates – people demonstrate for it
- UHC requires progressive public financing – delivering this is inherently political
- UHC and health systems reforms can deliver nationwide results quickly bringing political benefits

Leadership from the Head of State is Essential

- Because of the huge political costs and benefits involved UHC is a Head of State issue
- Successful UHC reforms need full cooperation across government
- MoHs are often weak in cabinets and MoFs don't usually want to spend more on health
- Big UHC reforms require significant increases in public financing
- Head of state power is needed to mobilise supporters, raise financing and tackle opponents

UHC leaders can become national heroes

Tommy Douglas
"Greatest ever
Canadian"

Aneurin Bevan
Founder of the NHS

The British Love their NHS

This love can be exploited

The US's first big step towards UHC.
Obama's greatest domestic legacy?

PM Thaksin became a hero in Thailand when he brought the people UHC in 2002

Iran launches universal health coverage for all Iranians

According to his year's budget plan, the administration must dedicate 10 percent of the revenues generated from redirecting subsidies away from energy and food to health insurance.

In order to replace subsidies on food and energy with targeted social assistance, the Iranian administration has been implementing its subsidy reform plan since 2010. And now via the universal health insurance program, the underprivileged will get free insurance.



Most Jakartans want Jokowi to run: Survey

Margareth S. Aritonang, The Jakarta Post, Jakarta | Election Watch | Wed, March 19 2014, 7:57 AM

The study revealed that the Jakarta Health Card (KJS) and Jakarta Smart Card (KJP) programs launched by the Jakarta administration were among Jokowi's most successful achievements in the eyes of the public, in addition to his rejection of the cheap car policy that was launched by the central government.

Fifty-seven percent of respondents nationwide said that they were familiar with the KJS program and that the program was beneficial to citizens; however, only 46 percent knew about the KJP program.

Business Standard

Friday, March 14, 2014 | 11:59 AM IST

Now, a right to health to be Congress trump card

Manifesto likely to promise health coverage, insurance for all by raising health spend to 3% of GDP from 1.2%

Kavita Chowdhury | New Delhi March 13, 2014 Last Updated at 00:59 IST



Mohalla clinic: AAP offers affordable healthcare model at doorstep

AAP delivers on pre-poll promise as Delhi chief minister Arvind Kejriwal plans to open 1,000 mohalla clinics by the end of this year, offering healthcare at doorstep

Kofi Annan lauds AAP's Mohalla Clinics project, suggests reforms

Might UHC be a way to unify Myanmar
and deliver a quick win for the NLD?

Will South Africa's President champion UHC and instruct Treasury to pay for it?

Archbishop Tutu has been speaking out in favour of national UHC reforms in RSA



During Motsoaledi's visit on Tuesday morning - shortly before Tutu was discharged - the Arch told the minister he was concerned that most citizens do not have access to decent health care and expressed his support for the proposed introduction of Universal Health Care in South Africa, also known as the National Health Insurance.

Will UHC come to Africa's biggest country?

Securing political commitment for UHC

- Involve politicians from the outset in health planning processes
- Promote the political benefits of UHC to the head of state and within cabinet
- Tailor messages for different audiences
 - economic benefits to MoF
- Involve CSOs, trades unions, media etc
- Exploit political windows of opportunity

Concluding thoughts

- UHC requires an efficient and equitable public health financing system
- Achieving and sustaining this requires genuine political commitment from the head of state
- To generate this commitment global health agencies need to raise their game in promoting the political benefits of UHC

**For daily
updates on
UHC follow:
@yates_rob**